

***CDL INVESTMENTS***  
***NEW ZEALAND LIMITED***

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36<sup>th</sup> Annual Meeting of Shareholders

**Tuesday 26<sup>th</sup> May 2020**

# WELCOME

- **Welcome to this Virtual Meeting**
- **The Meeting Chair is John Henderson**
- **Board of Directors are attending remotely:**

Colin Sim | Chairman

BK Chiu | Managing Director

Vincent Yeo | Non-Executive Director

Eik Sheng Kwek | Non-Executive Director

Roy Austin | Independent Director



- Quorum
- Apologies will be recorded in the minutes
- Proxies
- Minutes of the 35<sup>th</sup> Annual Meeting of Shareholders
- Notice of Meeting taken as read



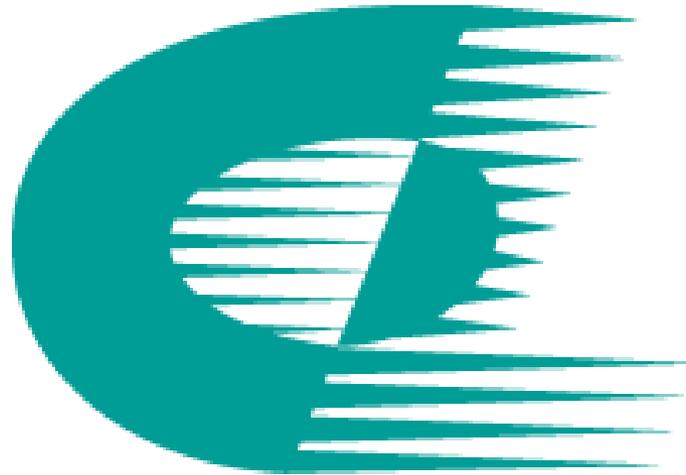
# Tribute to Mr Wong Hong Ren



# ANNUAL REPORT & FINANCIAL STATEMENTS

- Operating Profit After Tax \$34.1m
- Property Sales & Other Income \$91.8m
- Total Assets \$240.7m
- Net Tangible Asset 84.5 cents per share
- Dividend Declared 3.5 cents per share





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# CDL Investments 2019 Sales

Best year in CDI's history despite the softening property market in 2019.

	<u>2019</u>	<u>2018</u>
<b>Sales (\$m)</b>	91.8	85.0
<b>Profit before tax (\$m)</b>	47.3	46.7

- Section sales similar to 2018 from:
  - Greville Road, Auckland
  - Magellan, Hamilton
  - Prestons Park, Christchurch
- Lower margin sales at Northwood, Hawkes Bay



# April 2020 YTD Sales

Well designed, constructed and located CDI sections meet market demand despite a sobering economic outlook.

- Sales \$18.8m (\$14.9 in 2019)

- Sales from:

Greville Road, Auckland

Magellan Heights, Hamilton

Prestons Park, Christchurch

- Steady demand for CDI sections in Christchurch and Auckland.
- Pre-titled sales at Kewa Road and Dominion Road – both in Auckland are encouraging with settlements in 2020 and 2021.



## CDL Investments has sufficient cash to meet current and future obligations.

- Cash & term deposits: \$61.1m  
(as at 30 April 2020)
- Quick ratio\* 21.7
- No bank borrowings
- No plans to raise capital, cash issue.

\*  $\frac{\text{Total current assets less Inventory}}{\text{Total current liabilities}}$



- Economic downturn and unemployment will eventually impact demand for residential property.
- However a low interest environment (OCR 0.25%), lower mortgage rates, removal of 20% LVR are all positive for home ownership aspirations.
- There is selective demand for well located and reputable subdivisions with CDI sections priced at different points.
- Manage works in progress for these markets.
- CDI organization remains at three FTEs.



# WORK IN PROGRESS

## **Kewa Road, Albany, Auckland**

- Construction all 92 Lots complete.
- To date 55 Lots from stages 1-3 sold pre-title.
- Stage 4 not yet released for sale.

## **Christian/Tram Valley Road, Swanson, Auckland**

- Subdivision Consent for 48 Lots approved.
- Earthworks underway over whole site

## **Dominion Road, Papakura Auckland**

- Construction all 91 Lots complete.
- Stages 1 & 2 (45 Lots). All sold pre-title.
- Stages 3, 4 & 5 (46 Lots) – to date 38 Lots sold pre-title.

## **Roscommon Road, Wiri South Auckland**

- Construction complete.
- Lot 2 sold.

## **Magellan Heights, Flagstaff, Hamilton**

- Construction all 85 Lots complete.
- To date 50 Lots sold



# WORK IN PROGRESS

## **Prestons Park, Marshlands / Burwood, Christchurch**

- Earthworks over whole site complete.
- Stages 1 & 2 complete and titles issued.
- Stage 3 construction complete & titles issued.
- Resource consent for Commercial Centre approved.
- Resource consents approved for 2 x neighbouring acquired land i.e. Stage 4 (144 Lots) and Stage 5 (118 Lots).
- Stage 4 earthworks underway.

## **Stonebrook, Rolleston**

- Construction of remaining 34 Lots complete & titles issued.
- To date 24 Lots sold.
- Commercial Centre under construction, 85% complete.

## **Greville Road, Albany, Auckland**

- Development completed. All sections sold.

## **Crestview, Massey, West Auckland**

- Development completed. All Lots sold

## **Northwood, Hastings Hawkes Bay**

- Development completed. All Lots sold.



- 2019 results were best in CDI's history.
- 2020 tracking positively to date.
- Can expect economic downturn to impact section sales in Q4 and 2021.
- Must plan and manage CDI pipeline supply of sections with different price points.
- CDI has a strong balance sheet.
- Continue to increase land portfolio for residential sections development.
- CDI to deliver a profitable 2020.



# ELECTION OF DIRECTORS

- Election of **Mr Eik Sheng KWEK** as a Director
- Re-election of **Mr Roy AUSTIN** as a Director



# ELECTION OF DIRECTOR

- To elect **Mr Eik Sheng KWEK**



# ELECTION OF DIRECTORS

- To elect **Mr Roy AUSTIN**



# AUDITORS APPOINTMENT & REMUNERATION

- No other nomination received - KPMG are reappointed as the Company's auditors.
- Resolution that the Directors be empowered to fix the remuneration of the Auditors for the year ending 31 December 2020.



# GENERAL BUSINESS





**CLOSE OF MEETING**

**Thank you for attending**

